

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

NESSCAP CO., LTD.,	)	Case No. 07cv0704-JLS (BLM)
	)	
Plaintiff,	)	<b>ORDER GRANTING NESSCAP CO.</b>
v.	)	<b>LTD.'S MOTION TO COMPEL</b>
	)	
MAXWELL TECHNOLOGIES, INC.,	)	<b>[Doc. No. 36]</b>
	)	
Defendant.	)	
_____	)	

Presently before the Court is Plaintiff NessCap Co., Ltd.'s ("NessCap") motion to compel compliance with Patent Local Rule 3.4(a). Doc. No. 36. NessCap filed its motion on December 14, 2007, pursuant to an expedited briefing schedule issued by this Court [Doc. No. 35]. Defendant Maxwell Technologies, Inc. ("Maxwell") timely opposed the motion [Doc. No. 37] and NessCap filed its reply on December 28, 2007 [Doc. No. 38]. The Court found the motion suitable for decision on the papers and took the matter under submission pursuant to Civil Local Rule 7.1(d)(1). Doc. No. 35.

Having considered all of the briefing and supporting documents presented, and for the reasons set forth below, NessCap's motion to compel [Doc. No. 36] is **GRANTED**.

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**BACKGROUND**

NessCap initiated this patent infringement action on December 14, 2006, alleging Maxwell's infringement of NessCap patent number 6,743,544 ("the '544 patent"). Doc. No. 1 (case transferred from the District of Delaware). In its complaint, NessCap alleges that Maxwell has infringed the '544 patent through its manufacture and sale of Boostcap® ultracapacitors. Id. Maxwell has asserted defenses of noninfringement and invalidity, among others. Id.

On June 13, 2007, this Court issued an Amended Case Management Conference Order in this case. Doc. No. 17. Paragraphs 2 and 3 of that order required Maxwell to serve its preliminary invalidity contentions on NessCap on or before October 19, 2007, along with the documents required by Patent Local Rule 3.4(a)<sup>1</sup>. Maxwell timely served its preliminary invalidity contentions, but NessCap argues that Maxwell's accompanying document production failed to comply with Patent Local Rule 3.4(a) and Paragraph 3 of this Court's Order.

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<sup>1</sup> Paragraph 3(a) of the Amended Case Management Conference Order issued in this case on June 13, 2007, mirrors the language of Patent Local Rule 3.4(a), stating:

3. **Document Production Accompanying Preliminary Invalidity Contentions.** With the "Preliminary Invalidity Contentions," the party opposing a claim of patent infringement must produce or make available for inspection and copying:

a. Source code, specifications, schematics, flow charts, artwork, formulas, or other documentation sufficient to show the operation of any aspects or elements of any Accused Instrumentality identified by the patent claimant in the "Disclosure of Asserted Claims and Preliminary Infringement Contentions;"

Doc. No. 17 (June 13, 2007 Amended Case Management Conference Order).

**LEGAL STANDARD**

The instant dispute centers around the scope of the production requirement imposed by Patent Local Rule 3.4(a), which applies to patent cases proceeding before the United States District Court for the Southern District of California. Patent Local Rule 3.4 provides:

With the "Preliminary Invalidity Contentions," the party opposing a claim of patent infringement must produce or make available for inspection and copying:

a. Source code, specifications, schematics, flow charts, artwork, formulas, or other documentation sufficient to show the operation of any aspect or elements of any Accused Instrumentality identified by the patent claimant in its Patent L.R. 3.1c chart; . . .

Patent L.R. 3.4(a).

This Court's Patent Local Rules are relatively new and, as a result, there is a dearth of binding precedent addressing the scope and application of Patent Local Rule 3.4(a). Accordingly, because the Southern District's Patent Local Rule 3.4(a) is similar in all material respects to the corresponding patent local rules promulgated by the Northern District of California and the Northern District of Georgia, this Court relies on published and unpublished precedent from these courts as persuasive authority. In Cryptography Research, Inc. v. Visa Int'l Serv. Assoc., 2005 WL 1787421 (N.D. Cal. 2005), the Northern District of California explained that patent local rules "are not like other forms of discovery which require a formal request by the opposing party. Rather, it is the responsibility of the party itself to make disclosures that satisfy the [r]ules." Additionally, the court construed its patent local rule 3-4(a), which is identical to this Court's Patent Local Rule 3.4(a), as requiring the alleged infringer to turn over "any and all documents describing the operation or structures of [the patentee's] accused devices. . . ." IXYS Corp. v. Advanced Power

1 Tech., Inc., 2004 WL 1368860, \*3 (N.D. Cal. 2004).

2 The Northern District of Georgia has explained that what is  
3 sufficient to show the operation of the accused device will vary  
4 depending on the technology at issue. McKesson Info. Solutions LLC v.  
5 Epic Sys. Corp., 495 F. Supp. 2d 1329, 1333 (N.D. Ga. 2007). More  
6 specifically, it instructed that:

7 The requirement that the alleged infringing party provide  
8 whatever information is "sufficient to show the operation" of  
9 the accused device or method carries with it a good faith  
10 obligation to provide the types of information that will  
enable the party asserting infringement to reasonably  
determine the operation of the accused device or method  
without undue burden or expense.

11 Id. at 1334.

#### 12 DISCUSSION

13 NessCap objects to Maxwell's Patent Local Rule 3.4(a) production on  
14 the grounds that the documents do not detail the relevant configuration  
15 of the accused Boostcap® ultracapacitors, provide no description of the  
16 internal structure and do not sufficiently show the operation of all  
17 aspects and elements of the accused products. Pl.'s Mem. at 5.  
18 According to NessCap, the document production accompanying Maxwell's  
19 Preliminary Invalidity Contentions consisted of two self-serving, work  
20 product declarations from a retained expert and one of Maxwell's  
21 employees and fifteen pages of publicly-available product specifications  
22 and data sheets for Maxwell's Boostcap® ultracapacitors, which NessCap  
23 describes as marketing materials as opposed to the required scientific  
24 and demonstrative documentation.<sup>2</sup> Id. at 1, 2, 6. NessCap seeks, at the

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26 <sup>2</sup> Maxwell also produced several samples of its Boostcap® ultracapacitors.  
27 Additionally, though not the subject of the instant dispute, Maxwell did produce copies  
28 of the alleged prior art in compliance with Patent Local Rule 3.4(b).

1 very least, the design/production specifications and drawings for  
2 Maxwell's Boostcap® ultracapacitors as well as technical descriptions of  
3 their operation, tutorials, operating guides, testing reports, "and the  
4 like." Id. at 5. Because Maxwell's website states that the company is  
5 compliant with the "ISO 9001" standard, which requires companies to  
6 maintain accurate and detailed design and production specifications,  
7 NessCap contends that Maxwell must have in its possession the documents  
8 NessCap seeks. Id.

9 Maxwell asserts that NessCap overstates the requirements of Patent  
10 Local Rule 3.4(a) in arguing that the rule requires "all documentation  
11 sufficient to show the operation of any aspect or element of its accused  
12 products that Plaintiff identified in its infringement contentions"  
13 because Rule 3.4(a) does not contain the word "all." Def.'s Opp'n at 1  
14 (quoting Doc. No. 36 at 1) (emphasis added). Thus, Maxwell argues it  
15 satisfied the requirement of producing "documentation sufficient to  
16 show..." by providing product specifications and data sheets from its  
17 website, expert declarations explaining the operation of the accused  
18 ultracapacitors, and twenty of the accused ultracapacitors. Id. at 1-2.  
19 Additionally, Maxwell notes that the Patent Local Rules do not  
20 specifically require pre-litigation documents and do not prohibit use of  
21 (a) publicly-available documents or (b) documents created specifically  
22 for the purpose of satisfying Rule 3.4(a)'s requirements. Id. at 1, 12.

23 The Court agrees with NessCap that Maxwell's document production  
24 does not satisfy the requirements of Patent Local Rule 3.4(a) because  
25 Maxwell did not provide documentation sufficient to show the operation  
26 of each of the claimed aspects of its Boostcap® ultracapacitors. Like  
27 the Northern District, this Court interprets the rule as requiring the  
28 alleged infringer to produce "**any and all documents** describing the

1 operation or structures of [the patentee's] accused devices. . . ." IXYS  
2 Corp., 2004 WL 1368860 at \*3 (emphasis added); see also Cryptography  
3 Research, 2005 WL 1787421 at \*2 (reading Patent Local Rule 3-4(a) as  
4 requiring production of "enough documentation to sufficiently show the  
5 operation of any aspects or elements of an Accused Instrumentality").  
6 As Maxwell points out, the seven aspects of its Boostcap®  
7 ultracapacitors that NessCap alleges to be infringing are the:  
8 (1) "anode terminal," (2) "cathode terminal," (3) "metal layer,"  
9 (4) "protrusion from the anode electrode" and "protrusion from the  
10 cathode electrode," (5) "electrode body," (6) "pressure adjusting  
11 means," and (7) "insulating film." Def.'s Opp'n at 3. The product  
12 specifications and data sheets Maxwell provided to NessCap disclose the  
13 dimensions, capacitance, shelf life, etc. of the accused ultracapitors,  
14 but do not illustrate the structure of the accused devices or provide  
15 sufficient information for NessCap to determine whether there is, for  
16 instance, a "pressure adjusting means." See Decl. of Brian M. Gaff  
17 Supp. Pl.'s Mot. to Compel, Ex. 1 at 18-33. Though the samples of the  
18 Boostcap® ultracapacitors provided by Maxwell allow NessCap to analyze  
19 their internal structure, Patent Local Rule 3.4(a) requires production  
20 of *documentation* sufficient to show the accused product's operation.  
21 Moreover, patent local rules generally anticipate that, where feasible,  
22 the patentee already has purchased samples of the allegedly infringing  
23 product and analyzed them *prior to* filing suit. See, e.g., Am. Video  
24 Graphics, L.P. v. Electronic Arts, Inc., 359 F. Supp. 2d 558, 560 (E.D.  
25 Tex. 2005) ("plaintiffs are usually able to purchase defendants'  
26 products and ascertain the mechanics of how those products infringe  
27 before plaintiffs bring suit"). Thus, this rule offers the plaintiff a  
28 procedure for procuring additional information, which the plaintiff

1 could not obtain before initiating the litigation.

2 While the declarations of Roland Gallay (Maxwell's employee) and  
3 John R. Miller (Maxwell's retained expert) do provide some detailed  
4 photographs of the ultracapacitors' internal structure and more in-depth  
5 explanations of how the ultracapacitors operate (see Decl. of Brian M.  
6 Kramer Supp. Maxwell's Opp'n), the declarations were, as NessCap points  
7 out, prepared for the purpose of supporting Maxwell's argument of  
8 noninfringement.<sup>3</sup> The Court reads Patent Local Rule 3.4(a) as requiring  
9 the responding party to provide the raw data (source code, schematics,  
10 formulas, etc.) sufficient to show the operation of the accused aspects  
11 of the products in order to allow the patentee to make **it's own**  
12 determinations as to infringement. See McKesson, 495 F. Supp. 2d at  
13 1334 (construing the rule as imposing a good faith obligation to  
14 "provide the types of information that will enable **the party** asserting  
15 infringement to reasonably determine the operation of the accused device  
16 or method without undue burden or expense") (emphasis added). To  
17 construe the rule otherwise would render it virtually useless.  
18 Declarations prepared in support of a noninfringement argument obviously  
19 are unlikely to provide objective evidence of infringement and, thus,  
20 are of little value to patentees. Thus, in order to obtain the raw

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22 <sup>3</sup> This is confirmed by the Kramer Declaration, which lists Messrs. Gallay and  
23 Miller's declarations as having been filed with the Court on June 27, 2007, in support  
24 of Maxwell's Motion for Summary Judgment of Noninfringement (at Doc. No. 21-3 and 21-  
25 4). Kramer Decl. ¶¶ 3-4. Maxwell also points to another declaration from Mr. Miller,  
26 which it filed on November 1, 2006 in a related case (though the cases have not been  
27 consolidated) in this District (Case No. 06cv2311-JLS (BLM)), but this declaration also  
28 was prepared to support Maxwell's argument. Id. ¶ 5. It also is unclear whether  
Maxwell ever served the 2006 Miller declaration on NessCap in the instant case. See  
Gaff Decl., Ex. 1 at 5; Def's Opp'n at 2, 4.

1 data, patentees would be forced to serve requests for production of  
2 documents, thereby prolonging the discovery period, increasing costs,  
3 and defeating one of the primary purposes of enacting patent local  
4 rules, which is to "promote[] efficient discovery and reduce[] the  
5 potential for discovery disputes and wasted effort." McKesson, 495 F.  
6 Supp. 2d at 1332; Am. Video Graphics, 359 F. Supp. 2d at 560 (concurring  
7 with Northern District of California that patent local rules "are  
8 designed to streamline the discovery process" and "provide structure to  
9 discovery and enable the parties to move efficiently toward claim  
10 construction and the eventual resolution of their dispute"); IXYS Corp.,  
11 2004 WL 1368860 at \*3 ("The Local [Patent] Rules exist to further the  
12 goal of full, timely discovery and provide all parties with adequate  
13 notice and information with which to litigate their cases, not to create  
14 supposed loopholes through which parties may practice litigation by  
15 ambush"); see also Townshend Intellectual Prop., LLC v. Broadcom Corp.,  
16 2007 WL 1994158, \*2 (N.D. Cal. 2007) (explaining that the patent local  
17 rule governing preliminary infringement (as opposed to invalidity)  
18 contentions, "has been described as a 'streamlined' mechanism to replace  
19 the 'series of interrogatories that defendants would likely have  
20 propounded' in its absence").<sup>4</sup> Thus, the Court rejects Maxwell's  
21 argument that service of the Gallay and Miller declarations satisfied  
22 its obligations under Patent Local Rule 3.4(a).

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25 <sup>4</sup> For this reason, the Court also finds unavailing Maxwell's argument that  
26 its upcoming document production in response to NessCap's separately served requests  
27 for production of documents will render this motion moot. The patent local rules seek  
28 to streamline the discovery process, not to require parties to serve document requests  
seeking the same documentation covered by the rules.



1 In sum, the Court finds that Maxwell failed to comply with Patent  
2 Local Rule 3.4(a) and Paragraph 3 of this Court's Amended Case  
3 Management Conference Order.

4 **CONCLUSION**

5 For the foregoing reasons, the Court hereby **GRANTS** Plaintiff's  
6 motion to compel. Maxwell is ordered to produce documentation in  
7 compliance with Patent Local Rule 3.4(a), as construed by this Order, on  
8 or before **January 23, 2008**. Maxwell is hereby warned that failure to  
9 comply with this Order may result in the imposition of sanctions.

10 **IT IS SO ORDERED.**

11 DATED: January 16, 2008

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13 BARBARA L. MAJOR  
14 United States Magistrate Judge

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17 COPY TO:

18 HONORABLE JANIS L. SAMMARTINO  
19 U.S. DISTRICT JUDGE

20 ALL COUNSEL  
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